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**ARIZONA CORPORATION COMMISSION**  
**UTILITIES DIVISION**

RECEIVED  
APR 25 2001

ANNUAL REPORT MAILING LABEL - MAKE CHANGES AS NECESSARY

A

W-02258A WATER American  
~~LA CIENEGA ACRES WATER SYSTEM~~ Realty AND  
PO BOX 232 Mortgage Co, Inc  
WHITTMAN AZ 85361-0000

**ANNUAL REPORT**

**FOR YEAR ENDING**

12	31	2000
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FOR COMMISSION USE

ANN 04	00
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## COMPANY INFORMATION

**Company Name (Business Name)** AMERICAN REALTY & MORTGAGE Co., Inc

**Mailing Address** P.O. Box 232  
(Street)  
Wittmann, AZ 85361  
(City) (State) (Zip)

623-388-2949 623-388-2413 MANUAL 6  
Telephone No. (Include Area Code) Fax No. (Include Area Code) Pager/Cell No. (Include Area Code)

**Email Address** sellwell@interwx.com

**Local Office Mailing Address** 32101 Walnut St. - P.O. Box 232  
(Street)  
Wittmann AZ 85361  
(City) (State) (Zip)

**Local Office Telephone No. (Include Area Code)** **Fax No. (Include Area Code)** **Pager/Cell No. (Include Area Code)**

**Email Address** \_\_\_\_\_

## MANAGEMENT INFORMATION

**Management Contact:** JOSEPH W. LEE Sec/Tres.  
(Name) (Title)

32101 Walnut St. - P.O. Box 232 Wittmann, AZ 85361  
(Street) (City) (State) (Zip)

623-388-2949 623-388-2413  
Telephone No. (Include Area Code) Fax No. (Include Area Code) Pager/Cell No. (Include Area Code)

**Email Address** \_\_\_\_\_

**On Site Manager:** N/A  
(Name)

\_\_\_\_\_  
(Street) (City) (State) (Zip)

**Telephone No. (Include Area Code)** **Fax No. (Include Area Code)** **Pager/Cell No. (Include Area Code)**

**Email Address** \_\_\_\_\_

<b>Statutory Agent:</b> <u>JOSEPH W. LEE</u> <u>Sec/Treas</u>			
(Name)			
<u>32101 Walnut St.</u>	<u>Wittmann</u>	<u>AZ</u>	<u>85361</u>
(Street)	(City)	(State)	(Zip)
<u>623-388-2949</u>	<u>623-388-2413</u>		
Telephone No. (Include Area Code)	Fax No. (Include Area Code)	Pager/Cell No. (Include Area Code)	
<b>Attorney:</b> <u>JOSEPH W. LEE</u>			
(Name)			
<u>P.O. Box 640</u>	<u>Wittmann</u>	<u>AZ</u>	<u>85361</u>
(Street)	(City)	(State)	(Zip)
<u>623-388-2949</u>	<u>623-388-2413</u>		
Telephone No. (Include Area Code)	Fax No. (Include Area Code)	Pager/Cell No. (Include Area Code)	

### OWNERSHIP INFORMATION

Check the following box that applies to your company:

<input type="checkbox"/> Sole Proprietor (S)	<input checked="" type="checkbox"/> C Corporation (C) (Other than Association/Co-op)
<input type="checkbox"/> Partnership (P)	<input type="checkbox"/> Subchapter S Corporation (Z)
<input type="checkbox"/> Bankruptcy (B)	<input type="checkbox"/> Association/Co op (A)
<input type="checkbox"/> Receivership (R)	<input type="checkbox"/> Limited Liability Company
<input type="checkbox"/> Other (Describe) _____	

### COUNTIES SERVED

Check the box below for the county/ies in which you are certificated to provide service:

<input type="checkbox"/> APACHE	<input type="checkbox"/> COCHISE	<input type="checkbox"/> COCONINO
<input type="checkbox"/> GILA	<input type="checkbox"/> GRAHAM	<input type="checkbox"/> GREENLEE
<input type="checkbox"/> LA PAZ	<input type="checkbox"/> MARICOPA	<input type="checkbox"/> MOHAVE
<input type="checkbox"/> NAVAJO	<input type="checkbox"/> PIMA	<input checked="" type="checkbox"/> PINAL
<input type="checkbox"/> SANTA CRUZ	<input type="checkbox"/> YAVAPAI	<input type="checkbox"/> YUMA
<input type="checkbox"/> STATEWIDE		

COMPANY NAME

American Realty &amp; Mortgage Co., Inc

UTILITY PLANT IN SERVICE

Acct. No.	DESCRIPTION	Original Cost (OC)	Accumulated Depreciation (AD)	O.C.L.D. (OC less AD)
301	Organization			
302	Franchises			
303	Land and Land Rights	500	- 0 -	500
304	Structures and Improvements	29,294	24,446	4,848
307	Wells and Springs			
311	Pumping Equipment			
320	Water Treatment Equipment			
330	Distribution Reservoirs and Standpipes			
331	<sup>2nd year of 10 yr 10% Deprec</sup> Transmission and Distribution Mains	10,100	2,020	8,080
333	Services			
334	Meters and Meter Installations			
335	Hydrants			
336	Backflow Prevention Devices			
339	Other Plant and Misc. Equipment			
340	Office Furniture and Equipment			
341	Transportation Equipment			
343	Tools, Shop and Garage Equipment			
344	Laboratory Equipment			
345	Power Operated Equipment			
346	Communication Equipment			
347	Miscellaneous Equipment			
348	Other Tangible Plant	100		100
	TOTALS	39,994	26,466	<del>13,528</del> 13,528

This amount goes on the Balance Sheet Acct. No. 108

COMPANY NAME

**CALCULATION OF DEPRECIATION EXPENSE FOR CURRENT YEAR**

Acct. No.	DESCRIPTION	Original Cost (1)	Depreciation Percentage <i>1/20 F</i>	Depreciation Expense <i>bal</i> (1x2)
301	Organization			
302	Franchises			
303	Land and Land Rights	500	—	—
304	Structures and Improvements	29,294	24,446	4,848
307	Wells and Springs			
311	Pumping Equipment			
320	Water Treatment Equipment			
330	Distribution Reservoirs and Standpipes	10,000	<i>2020</i> 10% / yr	8,080
331	Transmission and Distribution Mains		<i>for 2 yrs</i>	
333	Services			
334	Meters and Meter Installations			
335	Hydrants			
336	Backflow Prevention Devices			
339	Other Plant and Misc. Equipment			
340	Office Furniture and Equipment			
341	Transportation Equipment			
343	Tools, Shop and Garage Equipment			
344	Laboratory Equipment			
345	Power Operated Equipment			
346	Communication Equipment			
347	Miscellaneous Equipment			
348	Other Tangible Plant	100		
	<b>TOTALS</b>	<b>39,994</b>	<b>26,466</b>	<b>12,928</b>

This amount goes on Comparative Statement of Income and Expense Acct. No. 403.

COMPANY NAME

## BALANCE SHEET

Acct. No.		BALANCE AT BEGINNING OF YEAR	BALANCE AT END OF YEAR
	<b>ASSETS</b>		
	<b>CURRENT AND ACCRUED ASSETS</b>		
131	Cash	\$ 317	\$ 458
134	Working Funds		
135	Temporary Cash Investments		
141	Customer Accounts Receivable		
146	Notes/Receivables from Associated Companies		
151	Plant Material and Supplies		
162	Prepayments		
174	Miscellaneous Current and Accrued Assets		
	<b>TOTAL CURRENT AND ACCRUED ASSETS</b>	\$ 317	\$ 458
	<b>FIXED ASSETS</b>		
101	Utility Plant in Service	\$ 39,994	\$ 39,994
103	Property Held for Future Use		
105	Construction Work in Progress		
108	Accumulated Depreciation – Utility Plant	25,556	26,566
121	Non-Utility Property		
122	Accumulated Depreciation – Non Utility		
	<b>TOTAL FIXED ASSETS</b>	\$ 13,838	\$ 12,928
	<b>TOTAL ASSETS</b>	\$ 14,155	\$ 12,976

**NOTE:** The Assets on this page should be equal to **Total Liabilities and Capital** on the following page.

COMPANY NAME

**BALANCE SHEET (CONTINUED)**

Acct. No.		BALANCE AT BEGINNING OF YEAR	BALANCE AT END OF YEAR
	<b>LIABILITIES</b>		
	<b>CURRENT LIABILITES</b>		- - -
231	Accounts Payable	\$ 3,000	\$
232	Notes Payable (Current Portion)	14,387	22,230
234	Notes/Accounts Payable to Associated Companies		
235	Customer Deposits		
236	Accrued Taxes		
237	Accrued Interest		
241	Miscellaneous Current and Accrued Liabilities		
	<b>TOTAL CURRENT LIABILITIES</b>	\$	\$ 22,230
	<b>LONG-TERM DEBT (Over 12 Months)</b>		
224	Long-Term Notes and Bonds	\$	\$
	<b>DEFERRED CREDITS</b>		
251	Unamortized Premium on Debt	\$	\$
252	Advances in Aid of Construction		
255	Accumulated Deferred Investment Tax Credits		
271	Contributions in Aid of Construction		
272	Less: Amortization of Contributions		
281	Accumulated Deferred Income Tax		
	<b>TOTAL DEFERRED CREDITS</b>	\$	\$
	<b>TOTAL LIABILITIES</b>	\$ 19,841	\$ 22,230
	<b>CAPITAL ACCOUNTS</b>		
201	Common Stock Issued	\$ 36,250	\$ 36,250
211	Paid in Capital in Excess of Par Value	41,936	45,504
215	Retained Earnings		
218	Proprietary Capital (Sole Props and Partnerships)		
	<b>TOTAL CAPITAL</b>	\$ 45,686	\$ 9,254
	<b>TOTAL LIABILITIES AND CAPITAL</b>	\$ 45,686	\$ 9,254

COMPANY NAME

## COMPARATIVE STATEMENT OF INCOME AND EXPENSE

Acct. No.	OPERATING REVENUES	PRIOR YEAR	CURRENT YEAR
461	Metered Water Revenue	\$ 5462	\$ 4904
460	Unmetered Water Revenue		
474	Other Water Revenues - Tunnage fees	110	90
	<b>TOTAL REVENUES</b>	\$ 5572	\$ 4994
	<b>OPERATING EXPENSES</b>		
601	Salaries and Wages Bookkeeping	\$ 1,870	\$ 1,709
610	Purchased Water Lease H-12 well	2,400	2,400
615	Purchased Power APS	3,719	3,714
618	Chemicals Bookkeeping	166	
620	Repairs and Maintenance	10,100	626
621	Office Supplies and Expense - Hand paper, etc	3,366	3000
630	Outside Services water testing	481	-0-
635	Water Testing		
641	Rents		
650	Transportation Expenses		
657	Insurance - General Liability		
659	Insurance - Health and Life		
666	Regulatory Commission Expense - Rate Case		
675	Miscellaneous Expense - Legal, sec/tices	2,400	2,800
403	Depreciation Expense		
408	Taxes Other Than Income - Sales	449	439
408.11	Property Taxes & other	225	87
409	Income Tax		45
	<b>TOTAL OPERATING EXPENSES</b>	\$-24,727	\$-14,820
	<b>OTHER INCOME/EXPENSE</b>		
419	Interest and Dividend Income	\$	\$
421	Non-Utility Income		
426	Miscellaneous Non-Utility Expenses		
427	Interest Expense	1,077	4,446
	<b>TOTAL OTHER INCOME/EXP</b>	\$ 1,077	\$ 4,446
	<b>NET INCOME/(LOSS)</b>	\$ <-20,232>	\$ <-14,272>



<b>COMPANY NAME</b>
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**SUPPLEMENTAL FINANCIAL DATA**  
**Long-Term Debt**

	LOAN #1	LOAN #2	LOAN #3	LOAN #4
Date Issued				
Source of Loan				
ACC Decision No.				
Reason for Loan				
Dollar Amount Issued	\$	\$	\$	\$
Amount Outstanding	\$	\$	\$	\$
Date of Maturity				
Interest Rate				
Current Year Interest	\$	\$	\$	\$
Current Year Principle	\$	\$	\$	\$

Meter Deposit Balance at Test Year End	\$ _____
Meter Deposits Refunded During the Test Year	\$ _____

COMPANY NAME

## WATER COMPANY PLANT DESCRIPTION

### WELLS

ADWR ID Number	Pump Horsepower	Pump Yield (Gpm)	Casing Size (inches)	Meter Size (inches)
558 03960	5		4"	3/4"

### OTHER WATER SOURCES

Name or Description	Capacity (gpm)	Gallons Purchased or Obtained (in thousands)
55-569475 H-12 wells w/ water	20	100% of well

TOTAL GALLONS PUMPED (NOT SOLD) THIS YEAR (thous.) = \_\_\_\_\_

BOOSTER PUMPS		FIRE HYDRANTS	
Horsepower	Quantity	Quantity Standard	Quantity Other
	— 0 —	— 0 —	

STORAGE TANKS		PRESSURE TANKS	
Capacity	Quantity	Capacity	Quantity
10,000	1	2	30 gal

## STATISTICAL INFORMATION

Total number of customers 28

Total number of gallons sold 2,725,157 gallons

COMPANY NAME American Realty & Mgt Co., Inc YEAR ENDING 12/31/2000

**PROPERTY TAXES**

Amount of actual <sup>pers.</sup> property taxes paid during Calendar Year 2000 was: \$ 8709 <sup>911-22-40008 Personal 2nd 1/2 1999</sup> ~~8709~~ <sup>Taxes</sup>

Attach to this annual report proof (e.g. property tax bills stamped "paid in full" or copies of cancelled checks for property tax payments) of any and all property taxes paid during the calendar year.

If no property taxes paid, explain why. \_\_\_\_\_

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

COMPANY NAME American Realty & Mgmt, Inc YEAR ENDING 12/31/2000

**INCOME TAXES**

For this reporting period, provide the following:

Federal Taxable Income Reported 0  
Estimated or Actual Federal Tax Liability 0

State Taxable Income Reported 0  
Estimated or Actual State Tax Liability 0

Amount of Grossed-Up Contributions/Advances:

Amount of Contributions/Advances 0  
Amount of Gross-Up Tax Collected 0  
Total Grossed-Up Contributions/Advances 0

Decision No. 55774 states, in part, that the utility will refund any excess gross-up funds collected at the close of the tax year when tax returns are completed. Pursuant to this Decision, if gross-up tax refunds are due to any Payer or if any gross-up tax refunds have already been made, attach the following information by Payer: name and amount of contribution/advance, the amount of gross-up tax collected, the amount of refund due to each Payer, and the date the Utility expects to make or has made the refund to the Payer.

**CERTIFICATION**

The undersigned hereby certifies that the Utility has refunded to Payers all gross-up tax refunds reported in the prior year's annual report. This certification is to be signed by the President or Chief Executive Officer, if a corporation; the managing general partner, if a partnership; the managing member, if a limited liability company or the sole proprietor, if a sole proprietorship.

Joseph W. Lee 4/10/01  
SIGNATURE DATE

Joseph W. Lee Secretary/Treasurer  
PRINTED NAME TITLE

COMPANY NAME American Realty & Mtg Co., Inc YEAR ENDING 12/31/2000

**WATER AND SEWER  
UTILITIES ONLY**

**PROPERTY TAXES**

Indicate the amount of actual property taxes paid during this reporting period (Calendar Year 2000)

\$ 87<sup>00</sup> <sup>Pens</sup> ~~87~~ Prop for 2nd 1/2 of 1999 No. 911-22-40008  
501-47-020-C

Attach to this annual report proof (e.g. property tax bills stamped "paid in full" or copies of cancelled Checks for property tax payments) of any and all property taxes paid during the calendar year.

If no property taxes paid, explain reasons below:

# VERIFICATION AND SWORN STATEMENT Intrastate Revenues Only

RECEIVED  
APR 25 2001

## VERIFICATION

STATE OF Arizona

I, THE UNDERSIGNED

OF THE

COUNTY OF (COUNTY NAME)	<u>Maricopa</u>
NAME (OWNER OR OFFICIAL) TITLE	<u>Secretary / Treasurer</u>
COMPANY NAME	<u>American Realty &amp; Mgt Co., Inc</u>

Director of Utilities

DO SAY THAT THIS ANNUAL UTILITY REPORT TO THE ARIZONA CORPORATION COMMISSION

FOR THE YEAR ENDING

MONTH	DAY	YEAR
12	31	2000

HAS BEEN PREPARED UNDER MY DIRECTION, FROM THE ORIGINAL BOOKS, PAPERS AND RECORDS OF SAID UTILITY; THAT I HAVE CAREFULLY EXAMINED THE SAME, AND DECLARE THE SAME TO BE A COMPLETE AND CORRECT STATEMENT OF BUSINESS AND AFFAIRS OF SAID UTILITY FOR THE PERIOD COVERED BY THIS REPORT IN RESPECT TO EACH AND EVERY MATTER AND THING SET FORTH, TO THE BEST OF MY KNOWLEDGE, INFORMATION AND BELIEF.

## SWORN STATEMENT

IN ACCORDANCE WITH THE REQUIREMENT OF TITLE 40, ARTICLE 8, SECTION 40-401, ARIZONA REVISED STATUTES, IT IS HEREIN REPORTED THAT THE GROSS OPERATING REVENUE OF SAID UTILITY DERIVED FROM ARIZONA INTRASTATE UTILITY OPERATIONS DURING CALENDAR YEAR 2000 WAS:

Arizona IntraState Gross Operating Revenues Only (\$)

\$ 4994<sup>00</sup>

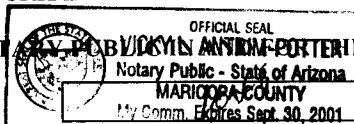
(THE AMOUNT IN BOX ABOVE  
INCLUDES \$ —  
IN SALES TAXES BILLED, OR COLLECTED

\*\*REVENUE REPORTED ON THIS PAGE MUST INCLUDE SALES TAXES BILLED OR COLLECTED. IF FOR ANY OTHER REASON, THE REVENUE REPORTED ABOVE DOES NOT AGREE WITH TOTAL OPERATING REVENUES ELSEWHERE REPORTED, ATTACH THOSE STATEMENTS THAT RECONCILE THE DIFFERENCE. (EXPLAIN IN DETAIL)

Joseph W. Lee  
SIGNATURE OF OWNER OR OFFICIAL  
Sec / Treas 623-388-2949  
TELEPHONE NUMBER

SUBSCRIBED AND SWORN TO BEFORE ME

A NOTARY PUBLIC IN AND FOR THE COUNTY OF  
THIS MARICOPA COUNTY  
My Comm. Expires Sept 30, 2001 DAY OF



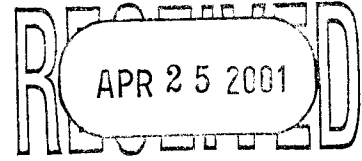
(SEAL)

MY COMMISSION EXPIRES 9-30-01

COUNTY NAME	<u>Maricopa</u>
MONTH	<u>April</u> 20 <u>01</u>
<u>[Signature]</u> SIGNATURE OF NOTARY PUBLIC	

**VERIFICATION  
AND  
SWORN STATEMENT  
RESIDENTIAL REVENUE  
INTRASTATE REVENUES ONLY**

ARIZONA CORPORATION  
COMMISSION



Director of Utilities

**VERIFICATION**

**STATE OF ARIZONA**

**I, THE UNDERSIGNED**

**OF THE**

(COUNTY NAME) <u>Maricopa</u>	
NAME (OWNER OR OFFICIAL) <u>Joseph W. Lee</u>	TITLE <u>Sec/Treas</u>
COMPANY NAME <u>American Realty &amp; Mgt Co., Inc</u>	

**DO SAY THAT THIS ANNUAL UTILITY REPORT TO THE ARIZONA CORPORATION COMMISSION**

**FOR THE YEAR ENDING**

MONTH	DAY	YEAR
12	31	2000

HAS BEEN PREPARED UNDER MY DIRECTION, FROM THE ORIGINAL BOOKS, PAPERS AND RECORDS OF SAID UTILITY; THAT I HAVE CAREFULLY EXAMINED THE SAME, AND DECLARE THE SAME TO BE A COMPLETE AND CORRECT STATEMENT OF BUSINESS AND AFFAIRS OF SAID UTILITY FOR THE PERIOD COVERED BY THIS REPORT IN RESPECT TO EACH AND EVERY MATTER AND THING SET FORTH, TO THE BEST OF MY KNOWLEDGE, INFORMATION AND BELIEF.

**SWORN STATEMENT**

IN ACCORDANCE WITH THE REQUIREMENTS OF TITLE 40, ARTICLE 8, SECTION 40-401.01, ARIZONA REVISED STATUTES, IT IS HEREIN REPORTED THAT THE GROSS OPERATING REVENUE OF SAID UTILITY DERIVED FROM ARIZONA INTRASTATE UTILITY OPERATIONS RECEIVED FROM RESIDENTIAL CUSTOMERS DURING CALENDAR YEAR 2000 WAS:

ARIZONA INTRASTATE GROSS OPERATING REVENUES  \$ <u>4,994.<sup>00</sup></u>
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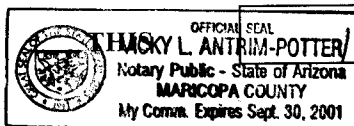
(THE AMOUNT IN BOX AT LEFT  
INCLUDES \$         
IN SALES TAXES BILLED, OR COLLECTED

**\*RESIDENTIAL REVENUE REPORTED ON THIS PAGE  
MUST INCLUDE SALES TAXES BILLED.**

X Joseph W. Lee  
SIGNATURE OF OWNER OR OFFICIAL

**SUBSCRIBED AND SWORN TO BEFORE ME**

**A NOTARY PUBLIC IN AND FOR THE COUNTY OF**



(SEAL)

DAY OF April

NOTARY PUBLIC NAME	
COUNTY NAME <u>Maricopa</u>	
MONTH	2001

**MY COMMISSION EXPIRES** 9-30-01

X Macky L. Antrim-Potter  
SIGNATURE OF NOTARY PUBLIC